

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Findings. The legislature makes all of the
5 following findings:

6 (1) That riverboat gaming has had a negative impact on
7 horse racing. From 1992, the first full year of riverboat
8 operations, through 2005, Illinois on-track wagering has
9 decreased by 42% from \$835 million to \$482 million.

10 (2) That this decrease in wagering has negatively
11 impacted purses for Illinois racing, which has hurt the
12 State's breeding industry. Between 1991 and 2004 the number
13 of foals registered with the Department of Agriculture has
14 decreased by more than 46% from 3,529 to 1,891.

15 (3) That the decline of the Illinois horseracing and
16 breeding program, a \$2.5 billion industry, would be
17 reversed if this amendatory Act of the 94th General
18 Assembly was enacted. By requiring that riverboats agree to
19 pay 3% of their gross revenue into the Horse Racing Equity
20 Trust Fund, total purses in the State may increase by 50%,
21 helping Illinois tracks to better compete with those in
22 other states. Illinois currently ranks thirteenth
23 nationally in terms of its purse size; the change would
24 propel the State to second or third.

25 (4) That Illinois agriculture and other businesses
26 that support and supply the horse racing industry, already
27 a sector that employs over 37,000 Illinoisans, also stand
28 to substantially benefit and would be much more likely to
29 create additional jobs should Illinois horse racing once
30 again become competitive with other states.

31 (5) That the 3% of gross revenues this amendatory Act
32 of the 94th General Assembly will contribute to the horse
33 racing industry will benefit that important industry for

1 Illinois farmers, breeders, and fans of horseracing and
2 will begin to address the negative impact riverboat gaming
3 has had on Illinois horseracing.

4 Section 5. The State Finance Act is amended by changing
5 Section 8h as follows:

6 (30 ILCS 105/8h)

7 Sec. 8h. Transfers to General Revenue Fund.

8 (a) Except as provided in subsection (b), notwithstanding
9 any other State law to the contrary, the Governor may, through
10 June 30, 2007, from time to time direct the State Treasurer and
11 Comptroller to transfer a specified sum from any fund held by
12 the State Treasurer to the General Revenue Fund in order to
13 help defray the State's operating costs for the fiscal year.
14 The total transfer under this Section from any fund in any
15 fiscal year shall not exceed the lesser of (i) 8% of the
16 revenues to be deposited into the fund during that fiscal year
17 or (ii) an amount that leaves a remaining fund balance of 25%
18 of the July 1 fund balance of that fiscal year. In fiscal year
19 2005 only, prior to calculating the July 1, 2004 final
20 balances, the Governor may calculate and direct the State
21 Treasurer with the Comptroller to transfer additional amounts
22 determined by applying the formula authorized in Public Act
23 93-839 to the funds balances on July 1, 2003. No transfer may
24 be made from a fund under this Section that would have the
25 effect of reducing the available balance in the fund to an
26 amount less than the amount remaining unexpended and unreserved
27 from the total appropriation from that fund estimated to be
28 expended for that fiscal year. This Section does not apply to
29 any funds that are restricted by federal law to a specific use,
30 to any funds in the Motor Fuel Tax Fund, the Intercity
31 Passenger Rail Fund, the Hospital Provider Fund, the Medicaid
32 Provider Relief Fund, the Teacher Health Insurance Security
33 Fund, the Reviewing Court Alternative Dispute Resolution Fund,
34 ~~or~~ the Voters' Guide Fund, the Foreign Language Interpreter

1 Fund, the Lawyers' Assistance Program Fund, the Supreme Court
2 Federal Projects Fund, the Supreme Court Special State Projects
3 Fund, ~~or~~ the Low-Level Radioactive Waste Facility Development
4 and Operation Fund, the Horse Racing Equity Trust Fund, or the
5 Hospital Basic Services Preservation Fund, or to any funds to
6 which subsection (f) of Section 20-40 of the Nursing and
7 Advanced Practice Nursing Act applies. No transfers may be made
8 under this Section from the Pet Population Control Fund.
9 Notwithstanding any other provision of this Section, for fiscal
10 year 2004, the total transfer under this Section from the Road
11 Fund or the State Construction Account Fund shall not exceed
12 the lesser of (i) 5% of the revenues to be deposited into the
13 fund during that fiscal year or (ii) 25% of the beginning
14 balance in the fund. For fiscal year 2005 through fiscal year
15 2007, no amounts may be transferred under this Section from the
16 Road Fund, the State Construction Account Fund, the Criminal
17 Justice Information Systems Trust Fund, the Wireless Service
18 Emergency Fund, or the Mandatory Arbitration Fund.

19 In determining the available balance in a fund, the
20 Governor may include receipts, transfers into the fund, and
21 other resources anticipated to be available in the fund in that
22 fiscal year.

23 The State Treasurer and Comptroller shall transfer the
24 amounts designated under this Section as soon as may be
25 practicable after receiving the direction to transfer from the
26 Governor.

27 (b) This Section does not apply to: (i) the Ticket For The
28 Cure Fund; (ii) ~~or to~~ any fund established under the Community
29 Senior Services and Resources Act; or (iii) ~~(ii)~~ on or after
30 January 1, 2006 (the effective date of Public Act 94-511) ~~this~~
31 ~~amendatory Act of the 94th General Assembly~~, the Child Labor
32 and Day and Temporary Labor Enforcement Fund.

33 (c) This Section does not apply to the Demutualization
34 Trust Fund established under the Uniform Disposition of
35 Unclaimed Property Act.

36 (d) ~~(e)~~ This Section does not apply to moneys set aside in

1 the Illinois State Podiatric Disciplinary Fund for podiatric
2 scholarships and residency programs under the Podiatric
3 Scholarship and Residency Act.

4 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,
5 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;
6 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.
7 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.
8 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,
9 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;
10 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; revised 1-23-06.)

11 Section 10. The Illinois Horse Racing Act of 1975 is
12 amended by adding Section 54.5 as follows:

13 (230 ILCS 5/54.5 new)

14 Sec. 54.5. Horse Racing Equity Trust Fund.

15 (a) There is created a Fund to be known as the Horse Racing
16 Equity Trust Fund, which is a non-appropriated trust fund held
17 separate and apart from State moneys. The Fund shall consist of
18 moneys paid into it by owners licensees under the Riverboat
19 Gambling Act for the purposes described in this Section. The
20 Fund shall be administered by the Board. Moneys in the Fund
21 shall be distributed as directed and certified by the Board in
22 accordance with the provisions of subsection (b).

23 (b) The moneys deposited into the Fund, plus any accrued
24 interest on those moneys, shall be distributed within 10 days
25 after those moneys are deposited into the Fund as follows:

26 (1) Sixty percent of all moneys distributed under this
27 subsection shall be distributed to organization licensees
28 to be distributed at their race meetings as purses.
29 Fifty-seven percent of the amount distributed under this
30 paragraph (1) shall be distributed for thoroughbred race
31 meetings and 43% shall be distributed for standardbred race
32 meetings. Within each breed, moneys shall be allocated to
33 each organization licensee's purse fund in accordance with
34 the ratio between the purses generated for that breed by

1 that licensee during the prior calendar year and the total
2 purses generated throughout the State for that breed during
3 the prior calendar year by licensees in the current
4 calendar year.

5 (2) The remaining 40% of the moneys distributed under
6 this subsection (b) shall be distributed as follows:

7 (A) 11% shall be distributed to any person (or its
8 successors or assigns) who had operating control of a
9 racetrack that conducted live racing in 2002 at a
10 racetrack in a county with at least 230,000 inhabitants
11 that borders the Mississippi River and is a licensee in
12 the current year; and

13 (B) the remaining 89% shall be distributed pro rata
14 according to the aggregate proportion of total handle
15 from wagering on live races conducted in Illinois
16 (irrespective of where the wagers are placed) for
17 calendar years 2004 and 2005 to any person (or its
18 successors or assigns) who (i) had majority operating
19 control of a racing facility at which live racing was
20 conducted in calendar year 2002, (ii) is a licensee in
21 the current year, and (iii) is not eligible to receive
22 moneys under subparagraph (A) of this paragraph (2).

23 The moneys received by an organization licensee
24 under this paragraph (2) shall be used by each
25 organization licensee to improve, maintain, market,
26 and otherwise operate its racing facilities to conduct
27 live racing, which shall include backstretch services
28 and capital improvements related to live racing and the
29 backstretch. Any organization licensees sharing common
30 ownership may pool the moneys received and spent at all
31 racing facilities commonly owned in order to meet these
32 requirements.

33 If any person identified in this paragraph (2) becomes
34 ineligible to receive moneys from the Fund, such amount
35 shall be redistributed among the remaining persons in
36 proportion to their percentages otherwise calculated.

1 (c) The Board shall monitor organization licensees to
2 ensure that moneys paid to organization licensees under this
3 Section are distributed by the organization licensees as
4 provided in subsection (b).

5 (d) This Section is repealed 2 years after the effective
6 date of this amendatory Act of the 94th General Assembly.

7 Section 15. The Riverboat Gambling Act is amended by
8 changing Sections 7, 13, and 23 as follows:

9 (230 ILCS 10/7) (from Ch. 120, par. 2407)

10 Sec. 7. Owners Licenses.

11 (a) The Board shall issue owners licenses to persons, firms
12 or corporations which apply for such licenses upon payment to
13 the Board of the non-refundable license fee set by the Board,
14 upon payment of a \$25,000 license fee for the first year of
15 operation and a \$5,000 license fee for each succeeding year and
16 upon a determination by the Board that the applicant is
17 eligible for an owners license pursuant to this Act and the
18 rules of the Board. For a period of 2 years beginning on the
19 effective date of this amendatory Act of the 94th General
20 Assembly, as a condition of licensure and as an alternative
21 source of payment for those funds payable under subsection
22 (c-5) of Section 13 of the Riverboat Gambling Act, any owners
23 licensee that holds or receives its owners license on or after
24 the effective date of this amendatory Act of the 94th General
25 Assembly, other than an owners licensee operating a riverboat
26 with adjusted gross receipts in calendar year 2004 of less than
27 \$200,000,000, must pay into the Horse Racing Equity Trust Fund,
28 in addition to any other payments required under this Act, an
29 amount equal to 3% of the adjusted gross receipts received by
30 the owners licensee. The payments required under this Section
31 shall be made by the owners licensee to the State Treasurer no
32 later than 3:00 o'clock p.m. of the day after the day when the
33 adjusted gross receipts were received by the owners licensee. A
34 person, firm or corporation is ineligible to receive an owners

1 license if:

2 (1) the person has been convicted of a felony under the
3 laws of this State, any other state, or the United States;

4 (2) the person has been convicted of any violation of
5 Article 28 of the Criminal Code of 1961, or substantially
6 similar laws of any other jurisdiction;

7 (3) the person has submitted an application for a
8 license under this Act which contains false information;

9 (4) the person is a member of the Board;

10 (5) a person defined in (1), (2), (3) or (4) is an
11 officer, director or managerial employee of the firm or
12 corporation;

13 (6) the firm or corporation employs a person defined in
14 (1), (2), (3) or (4) who participates in the management or
15 operation of gambling operations authorized under this
16 Act;

17 (7) (blank); or

18 (8) a license of the person, firm or corporation issued
19 under this Act, or a license to own or operate gambling
20 facilities in any other jurisdiction, has been revoked.

21 (b) In determining whether to grant an owners license to an
22 applicant, the Board shall consider:

23 (1) the character, reputation, experience and
24 financial integrity of the applicants and of any other or
25 separate person that either:

26 (A) controls, directly or indirectly, such
27 applicant, or

28 (B) is controlled, directly or indirectly, by such
29 applicant or by a person which controls, directly or
30 indirectly, such applicant;

31 (2) the facilities or proposed facilities for the
32 conduct of riverboat gambling;

33 (3) the highest prospective total revenue to be derived
34 by the State from the conduct of riverboat gambling;

35 (4) the extent to which the ownership of the applicant
36 reflects the diversity of the State by including minority

1 persons and females and the good faith affirmative action
2 plan of each applicant to recruit, train and upgrade
3 minority persons and females in all employment
4 classifications;

5 (5) the financial ability of the applicant to purchase
6 and maintain adequate liability and casualty insurance;

7 (6) whether the applicant has adequate capitalization
8 to provide and maintain, for the duration of a license, a
9 riverboat;

10 (7) the extent to which the applicant exceeds or meets
11 other standards for the issuance of an owners license which
12 the Board may adopt by rule; and

13 (8) The amount of the applicant's license bid.

14 (c) Each owners license shall specify the place where
15 riverboats shall operate and dock.

16 (d) Each applicant shall submit with his application, on
17 forms provided by the Board, 2 sets of his fingerprints.

18 (e) The Board may issue up to 10 licenses authorizing the
19 holders of such licenses to own riverboats. In the application
20 for an owners license, the applicant shall state the dock at
21 which the riverboat is based and the water on which the
22 riverboat will be located. The Board shall issue 5 licenses to
23 become effective not earlier than January 1, 1991. Three of
24 such licenses shall authorize riverboat gambling on the
25 Mississippi River, or, with approval by the municipality in
26 which the riverboat was docked on August 7, 2003 and with Board
27 approval, be authorized to relocate to a new location, in a
28 municipality that (1) borders on the Mississippi River or is
29 within 5 miles of the city limits of a municipality that
30 borders on the Mississippi River and (2), on August 7, 2003,
31 had a riverboat conducting riverboat gambling operations
32 pursuant to a license issued under this Act; one of which shall
33 authorize riverboat gambling from a home dock in the city of
34 East St. Louis. One other license shall authorize riverboat
35 gambling on the Illinois River south of Marshall County. The
36 Board shall issue one additional license to become effective

1 not earlier than March 1, 1992, which shall authorize riverboat
2 gambling on the Des Plaines River in Will County. The Board may
3 issue 4 additional licenses to become effective not earlier
4 than March 1, 1992. In determining the water upon which
5 riverboats will operate, the Board shall consider the economic
6 benefit which riverboat gambling confers on the State, and
7 shall seek to assure that all regions of the State share in the
8 economic benefits of riverboat gambling.

9 In granting all licenses, the Board may give favorable
10 consideration to economically depressed areas of the State, to
11 applicants presenting plans which provide for significant
12 economic development over a large geographic area, and to
13 applicants who currently operate non-gambling riverboats in
14 Illinois. The Board shall review all applications for owners
15 licenses, and shall inform each applicant of the Board's
16 decision. The Board may grant an owners license to an applicant
17 that has not submitted the highest license bid, but if it does
18 not select the highest bidder, the Board shall issue a written
19 decision explaining why another applicant was selected and
20 identifying the factors set forth in this Section that favored
21 the winning bidder.

22 In addition to any other revocation powers granted to the
23 Board under this Act, the Board may revoke the owners license
24 of a licensee which fails to begin conducting gambling within
25 15 months of receipt of the Board's approval of the application
26 if the Board determines that license revocation is in the best
27 interests of the State.

28 (f) The first 10 owners licenses issued under this Act
29 shall permit the holder to own up to 2 riverboats and equipment
30 thereon for a period of 3 years after the effective date of the
31 license. Holders of the first 10 owners licenses must pay the
32 annual license fee for each of the 3 years during which they
33 are authorized to own riverboats.

34 (g) Upon the termination, expiration, or revocation of each
35 of the first 10 licenses, which shall be issued for a 3 year
36 period, all licenses are renewable annually upon payment of the

1 fee and a determination by the Board that the licensee
2 continues to meet all of the requirements of this Act and the
3 Board's rules. However, for licenses renewed on or after May 1,
4 1998, renewal shall be for a period of 4 years, unless the
5 Board sets a shorter period.

6 (h) An owners license shall entitle the licensee to own up
7 to 2 riverboats. A licensee shall limit the number of gambling
8 participants to 1,200 for any such owners license. A licensee
9 may operate both of its riverboats concurrently, provided that
10 the total number of gambling participants on both riverboats
11 does not exceed 1,200. Riverboats licensed to operate on the
12 Mississippi River and the Illinois River south of Marshall
13 County shall have an authorized capacity of at least 500
14 persons. Any other riverboat licensed under this Act shall have
15 an authorized capacity of at least 400 persons.

16 (i) A licensed owner is authorized to apply to the Board
17 for and, if approved therefor, to receive all licenses from the
18 Board necessary for the operation of a riverboat, including a
19 liquor license, a license to prepare and serve food for human
20 consumption, and other necessary licenses. All use, occupation
21 and excise taxes which apply to the sale of food and beverages
22 in this State and all taxes imposed on the sale or use of
23 tangible personal property apply to such sales aboard the
24 riverboat.

25 (j) The Board may issue or re-issue a license authorizing a
26 riverboat to dock in a municipality or approve a relocation
27 under Section 11.2 only if, prior to the issuance or
28 re-issuance of the license or approval, the governing body of
29 the municipality in which the riverboat will dock has by a
30 majority vote approved the docking of riverboats in the
31 municipality. The Board may issue or re-issue a license
32 authorizing a riverboat to dock in areas of a county outside
33 any municipality or approve a relocation under Section 11.2
34 only if, prior to the issuance or re-issuance of the license or
35 approval, the governing body of the county has by a majority
36 vote approved of the docking of riverboats within such areas.

1 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
2 eff. 8-23-05.)

3 (230 ILCS 10/13) (from Ch. 120, par. 2413)

4 Sec. 13. Wagering tax; rate; distribution.

5 (a) Until January 1, 1998, a tax is imposed on the adjusted
6 gross receipts received from gambling games authorized under
7 this Act at the rate of 20%.

8 (a-1) From January 1, 1998 until July 1, 2002, a privilege
9 tax is imposed on persons engaged in the business of conducting
10 riverboat gambling operations, based on the adjusted gross
11 receipts received by a licensed owner from gambling games
12 authorized under this Act at the following rates:

13 15% of annual adjusted gross receipts up to and
14 including \$25,000,000;

15 20% of annual adjusted gross receipts in excess of
16 \$25,000,000 but not exceeding \$50,000,000;

17 25% of annual adjusted gross receipts in excess of
18 \$50,000,000 but not exceeding \$75,000,000;

19 30% of annual adjusted gross receipts in excess of
20 \$75,000,000 but not exceeding \$100,000,000;

21 35% of annual adjusted gross receipts in excess of
22 \$100,000,000.

23 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
24 is imposed on persons engaged in the business of conducting
25 riverboat gambling operations, other than licensed managers
26 conducting riverboat gambling operations on behalf of the
27 State, based on the adjusted gross receipts received by a
28 licensed owner from gambling games authorized under this Act at
29 the following rates:

30 15% of annual adjusted gross receipts up to and
31 including \$25,000,000;

32 22.5% of annual adjusted gross receipts in excess of
33 \$25,000,000 but not exceeding \$50,000,000;

34 27.5% of annual adjusted gross receipts in excess of
35 \$50,000,000 but not exceeding \$75,000,000;

1 32.5% of annual adjusted gross receipts in excess of
2 \$75,000,000 but not exceeding \$100,000,000;

3 37.5% of annual adjusted gross receipts in excess of
4 \$100,000,000 but not exceeding \$150,000,000;

5 45% of annual adjusted gross receipts in excess of
6 \$150,000,000 but not exceeding \$200,000,000;

7 50% of annual adjusted gross receipts in excess of
8 \$200,000,000.

9 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
10 persons engaged in the business of conducting riverboat
11 gambling operations, other than licensed managers conducting
12 riverboat gambling operations on behalf of the State, based on
13 the adjusted gross receipts received by a licensed owner from
14 gambling games authorized under this Act at the following
15 rates:

16 15% of annual adjusted gross receipts up to and
17 including \$25,000,000;

18 27.5% of annual adjusted gross receipts in excess of
19 \$25,000,000 but not exceeding \$37,500,000;

20 32.5% of annual adjusted gross receipts in excess of
21 \$37,500,000 but not exceeding \$50,000,000;

22 37.5% of annual adjusted gross receipts in excess of
23 \$50,000,000 but not exceeding \$75,000,000;

24 45% of annual adjusted gross receipts in excess of
25 \$75,000,000 but not exceeding \$100,000,000;

26 50% of annual adjusted gross receipts in excess of
27 \$100,000,000 but not exceeding \$250,000,000;

28 70% of annual adjusted gross receipts in excess of
29 \$250,000,000.

30 An amount equal to the amount of wagering taxes collected
31 under this subsection (a-3) that are in addition to the amount
32 of wagering taxes that would have been collected if the
33 wagering tax rates under subsection (a-2) were in effect shall
34 be paid into the Common School Fund.

35 The privilege tax imposed under this subsection (a-3) shall
36 no longer be imposed beginning on the earlier of (i) July 1,

1 2005; (ii) the first date after June 20, 2003 that riverboat
2 gambling operations are conducted pursuant to a dormant
3 license; or (iii) the first day that riverboat gambling
4 operations are conducted under the authority of an owners
5 license that is in addition to the 10 owners licenses initially
6 authorized under this Act. For the purposes of this subsection
7 (a-3), the term "dormant license" means an owners license that
8 is authorized by this Act under which no riverboat gambling
9 operations are being conducted on June 20, 2003.

10 (a-4) Beginning on the first day on which the tax imposed
11 under subsection (a-3) is no longer imposed, a privilege tax is
12 imposed on persons engaged in the business of conducting
13 riverboat gambling operations, other than licensed managers
14 conducting riverboat gambling operations on behalf of the
15 State, based on the adjusted gross receipts received by a
16 licensed owner from gambling games authorized under this Act at
17 the following rates:

18 15% of annual adjusted gross receipts up to and
19 including \$25,000,000;

20 22.5% of annual adjusted gross receipts in excess of
21 \$25,000,000 but not exceeding \$50,000,000;

22 27.5% of annual adjusted gross receipts in excess of
23 \$50,000,000 but not exceeding \$75,000,000;

24 32.5% of annual adjusted gross receipts in excess of
25 \$75,000,000 but not exceeding \$100,000,000;

26 37.5% of annual adjusted gross receipts in excess of
27 \$100,000,000 but not exceeding \$150,000,000;

28 45% of annual adjusted gross receipts in excess of
29 \$150,000,000 but not exceeding \$200,000,000;

30 50% of annual adjusted gross receipts in excess of
31 \$200,000,000.

32 (a-8) Riverboat gambling operations conducted by a
33 licensed manager on behalf of the State are not subject to the
34 tax imposed under this Section.

35 (a-10) The taxes imposed by this Section shall be paid by
36 the licensed owner to the Board not later than 3:00 o'clock

1 p.m. of the day after the day when the wagers were made.

2 (a-15) If the privilege tax imposed under subsection (a-3)
3 is no longer imposed pursuant to item (i) of the last paragraph
4 of subsection (a-3), then by June 15 of each year, each owners
5 licensee, other than an owners licensee that admitted 1,000,000
6 persons or fewer in calendar year 2004, must, in addition to
7 the payment of all amounts otherwise due under this Section,
8 pay to the Board the amount, if any, by which the base amount
9 for the licensed owner exceeds the amount of tax paid under
10 this Section by the licensed owner in the then current State
11 fiscal year. The obligation imposed by this subsection (a-15)
12 is binding on any person, firm, corporation, or other entity
13 that acquires an ownership interest in any such owners license.
14 The obligation imposed under this subsection (a-15) terminates
15 on the earliest of: (i) July 1, 2007, (ii) the first day after
16 the effective date of this amendatory Act of the 94th General
17 Assembly that riverboat gambling operations are conducted
18 pursuant to a dormant license, (iii) the first day that
19 riverboat gambling operations are conducted under the
20 authority of an owners license that is in addition to the 10
21 owners licenses initially authorized under this Act, or (iv)
22 the first day that a licensee under the Illinois Horse Racing
23 Act of 1975 conducts gaming operations with slot machines or
24 other electronic gaming devices. The Board must reduce the
25 obligation imposed under this subsection (a-15) by an amount
26 the Board deems reasonable for any of the following reasons:
27 (A) an act or acts of God, (B) an act of bioterrorism or
28 terrorism or a bioterrorism or terrorism threat that was
29 investigated by a law enforcement agency, or (C) a condition
30 beyond the control of the owners licensee that does not result
31 from any act or omission by the owners licensee or any of its
32 agents and that poses a hazardous threat to the health and
33 safety of patrons. If an owners licensee pays an amount in
34 excess of its liability under this Section, the Board shall
35 apply the overpayment to future payments required under this
36 Section.

1 For purposes of this subsection (a-15):

2 "Act of God" means an incident caused by the operation of
3 an extraordinary force that cannot be foreseen, that cannot be
4 avoided by the exercise of due care, and for which no person
5 can be held liable.

6 "Base amount" means the following:

7 For a riverboat in Alton, \$31,000,000.

8 For a riverboat in East Peoria, \$43,000,000.

9 For the Empress riverboat in Joliet, \$86,000,000.

10 For a riverboat in Metropolis, \$45,000,000.

11 For the Harrah's riverboat in Joliet, \$114,000,000.

12 For a riverboat in Aurora, \$86,000,000.

13 For a riverboat in East St. Louis, \$48,500,000.

14 For a riverboat in Elgin, \$198,000,000.

15 "Dormant license" has the meaning ascribed to it in
16 subsection (a-3).

17 (b) Until January 1, 1998, 25% of the tax revenue deposited
18 in the State Gaming Fund under this Section shall be paid,
19 subject to appropriation by the General Assembly, to the unit
20 of local government which is designated as the home dock of the
21 riverboat. Beginning January 1, 1998, from the tax revenue
22 deposited in the State Gaming Fund under this Section, an
23 amount equal to 5% of adjusted gross receipts generated by a
24 riverboat shall be paid monthly, subject to appropriation by
25 the General Assembly, to the unit of local government that is
26 designated as the home dock of the riverboat. From the tax
27 revenue deposited in the State Gaming Fund pursuant to
28 riverboat gambling operations conducted by a licensed manager
29 on behalf of the State, an amount equal to 5% of adjusted gross
30 receipts generated pursuant to those riverboat gambling
31 operations shall be paid monthly, subject to appropriation by
32 the General Assembly, to the unit of local government that is
33 designated as the home dock of the riverboat upon which those
34 riverboat gambling operations are conducted.

35 (c) Appropriations, as approved by the General Assembly,
36 may be made from the State Gaming Fund to the Department of

1 Revenue and the Department of State Police for the
2 administration and enforcement of this Act, or to the
3 Department of Human Services for the administration of programs
4 to treat problem gambling.

5 (c-5) Before the effective date of this amendatory Act of
6 the 94th General Assembly and beginning 2 years after the
7 effective date of this amendatory Act of the 94th General
8 Assembly, after ~~After~~ the payments required under subsections
9 (b) and (c) have been made, an amount equal to 15% of the
10 adjusted gross receipts of (1) an owners licensee that
11 relocates pursuant to Section 11.2, (2) an owners licensee
12 conducting riverboat gambling operations pursuant to an owners
13 license that is initially issued after June 25, 1999, or (3)
14 the first riverboat gambling operations conducted by a licensed
15 manager on behalf of the State under Section 7.3, whichever
16 comes first, shall be paid from the State Gaming Fund into the
17 Horse Racing Equity Fund.

18 (c-10) Each year the General Assembly shall appropriate
19 from the General Revenue Fund to the Education Assistance Fund
20 an amount equal to the amount paid into the Horse Racing Equity
21 Fund pursuant to subsection (c-5) in the prior calendar year.

22 (c-15) After the payments required under subsections (b),
23 (c), and (c-5) have been made, an amount equal to 2% of the
24 adjusted gross receipts of (1) an owners licensee that
25 relocates pursuant to Section 11.2, (2) an owners licensee
26 conducting riverboat gambling operations pursuant to an owners
27 license that is initially issued after June 25, 1999, or (3)
28 the first riverboat gambling operations conducted by a licensed
29 manager on behalf of the State under Section 7.3, whichever
30 comes first, shall be paid, subject to appropriation from the
31 General Assembly, from the State Gaming Fund to each home rule
32 county with a population of over 3,000,000 inhabitants for the
33 purpose of enhancing the county's criminal justice system.

34 (c-20) Each year the General Assembly shall appropriate
35 from the General Revenue Fund to the Education Assistance Fund
36 an amount equal to the amount paid to each home rule county

1 with a population of over 3,000,000 inhabitants pursuant to
2 subsection (c-15) in the prior calendar year.

3 (c-25) After the payments required under subsections (b),
4 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
5 the adjusted gross receipts of (1) an owners licensee that
6 relocates pursuant to Section 11.2, (2) an owners licensee
7 conducting riverboat gambling operations pursuant to an owners
8 license that is initially issued after June 25, 1999, or (3)
9 the first riverboat gambling operations conducted by a licensed
10 manager on behalf of the State under Section 7.3, whichever
11 comes first, shall be paid from the State Gaming Fund to
12 Chicago State University.

13 (d) From time to time, the Board shall transfer the
14 remainder of the funds generated by this Act into the Education
15 Assistance Fund, created by Public Act 86-0018, of the State of
16 Illinois.

17 (e) Nothing in this Act shall prohibit the unit of local
18 government designated as the home dock of the riverboat from
19 entering into agreements with other units of local government
20 in this State or in other states to share its portion of the
21 tax revenue.

22 (f) To the extent practicable, the Board shall administer
23 and collect the wagering taxes imposed by this Section in a
24 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
25 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
26 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
27 Penalty and Interest Act.

28 (Source: P.A. 93-27, eff. 6-20-03; 93-28, eff. 6-20-03; 94-673,
29 eff. 8-23-05.)

30 (230 ILCS 10/23) (from Ch. 120, par. 2423)

31 Sec. 23. The State Gaming Fund. On or after the effective
32 date of this Act, except as provided for payments into the
33 Horse Racing Equity Trust Fund under subsection (a) of Section
34 7, all of the fees and taxes collected pursuant to ~~subsections~~
35 ~~of~~ this Act shall be deposited into the State Gaming Fund, a

1 special fund in the State Treasury, which is hereby created.
2 The adjusted gross receipts of any riverboat gambling
3 operations conducted by a licensed manager on behalf of the
4 State remaining after the payment of the fees and expenses of
5 the licensed manager shall be deposited into the State Gaming
6 Fund. Fines and penalties collected pursuant to this Act shall
7 be deposited into the Education Assistance Fund, created by
8 Public Act 86-0018, of the State of Illinois.
9 (Source: P.A. 93-28, eff. 6-20-03.)

10 Section 97. Inseverability. The changes made to existing
11 statutory law by this amendatory Act of the 94th General
12 Assembly are mutually dependent and inseverable. If any change
13 made to existing statutory law by this amendatory Act of the
14 94th General Assembly is held invalid, then all changes made to
15 existing statutory law by this amendatory Act of the 94th
16 General Assembly are invalid in their entirety.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.